

SEP 16 2011

VIA FAX (202-778-9100) and First Class Mail

Jerry S. McDevitt, Esq. K&L Gates LLP 1601 K Street, NW Washington, DC 20006

RE: MUR 6439

World Wrestling Entertainment, Inc.

Vince McMahon

Dear Mr. McDevitt:

On December 13, 2010, the Federal Election Commission notified your clients, World Wrestling Entertainment, Inc. and Vince McMahon, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was forwarded to your clients at that time.

Upon further review of the allegations contained in the complaint, and information supplied by your clients, the Commission, on August 30, 2011, and September 9, 2011, voted to find no reason to believe as to certain allegations, dismiss, as a matter of prosecutorial discretion, as to other allegations and violations in this matter and close the file. The Factual and Legal Analysis, which more fully explains the Commission's decision, is enclosed for your information.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66132 (Dec. 14, 2009).

If you have any questions, please contact Kimberly D. Hart, the attorney assigned to this matter, at (202) 694-1650.

Mark D. Shonkwiler

Assistant General Counsel

Enclosure

Factual and Legal Analysis

1 2	FEDERAL ELECTION COMMISSION			
3	FACTUAL AND LEGAL ANALYSIS			
5			MUR 6439	
6 7 8	RESPONDENTS:		World Wrestling Entertainment, Inc. and Vince McMahon	
9	I.	INTRODUCTION		
11		This matter was gen	erated by a complaint filed by the Connecticut Democratic State	
12	Cent	tral Committee and Nan	cy DiNardn, State Chair. See 2 U.S.C. § 437(g)(a)(1). This matter	
13	invo	lves allegations that Wo	orld Wrestling Entertainment, Inc. ("WWE") and its Chief Executive	
14	Offi	cer ("CEO"), Vince Mc	Mahon ("Mr. McMahon"), made prohibited corporate in-kind	
15	cont	ributions to Connecticu	t Republican Senate candidate Linda McMahon ("Mrs. McMahon"	
16	or th	e "Candidate") and her	principal campaign committee, Linda McMahon for Senate 2010 and	
17	Rob	Jentgens, in his official	capacity as treasurer ("Committee"). The complaint alleges that	
18	ww	E coordinated various of	expenditures for corporate promotional activities and	
19	com	munications with the Ca	andidate and the Committee. The Respondents deny that there was	
20	any	type of coordination bet	ween WWE and Mrs. McMahon and the Committee.	
21		As explained below,	the Commission 1) found no reason to believe that WWE and Vince	
22	MpN	fahon violated 2 U.S.C.	. § 441b(a) by making prohibited corporate in-kind contributions in	
23	the f	orm of coordinated exp	enditures with respect to all activity except for the Make-A-Wish ad;	
24	2) di	smissed, as a matter of	prosecutorial discretion, the allegations of violations by World	
25	Wre	stling Entertainment, In	c. and Vince McMahon of 2 U.S.C. § 441b(a) by making prohibited	
26	согр	orate in-kind contribution	ons in the form of coordinated expenditures with respect to the	

Make-A-Wish ad; and 3) dismissed, as a matter of prosecutorial discretion, violations of

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- 2 U.S.C. §§ 434(f) and 441d relating to WWE's failure to disclose or include a disclaimer on its
- 2 Make-A-Wish advertisement that qualified as an electioneering communication.

II. FACTUAL BACKGROUND

- 4 WWE is a publicly traded, privately-controlled, sports entertainment corporation dealing
- 5 primarily with professional wrestling with major revenue sources also coming from film, music,
- 6 product licensing, and direct product sales. 1 Its corporate headquarters are located in Stamford,
- 7 Connecticut, with offices also in Los Angeles, New York City, London, Tokyo, and Sydney. Its
- 8 revenue for fiscal year 2010 is reported to have been \$477.7 million. Id. Vince McMathon is the
- 9 current CEO of WWE and owns approximately 88% of the total voting powers of all outstanding
- shares of WWE. WWE Response, McMahon Affidavit at ¶ 3. Between 1980 and 2009, Mr.
- 11 McMahon's spouse, Linda McMahon, served as the CEO of WWE. Committee Response at 2.
- 12 Linda McMahon was the 2010 Republican nominee for U.S. Senator in Connecticut.
- 13 Linda McMahon for Senate 2010 was her principal campaign committee, and Rob Jentgens is
- the current treasurer of the Committee. Upon filing a Statement of Candidacy for the 2010
- 15 Connecticut Senate race on September 16, 2009, Mrs. McMahon resigned as CEO of WWE, and
- on November 6, 2009, she resigned from the WWE's Board of Directors. McMahon Affidavit at
- 17 ¶ 4. Mrs. McMahon currently own: approximately 1.2% of the outstanding voting shares in
- 18 WWE. WWE Response, McMahon Affidavit at ¶ 3. The Committee did not report receiving
- any contributions from WWE during the primary or general election cycles.
- The complaint alleges that the following WWE activities constitute prohibited corporate
- 21 in-kind contributions to Mrs. McMahon and her committee:
 - In October 2010, WWE launched a public relations campaign called "Stand Up for WWE" to respond to what it characterized as inaccurate statements made about

¹ See http://www.corporete.wwe.com/company/financials.jsp.

WWE in the context of Mrs. McMahon's political campaign. W	WE encouraged fans
to use social media outlets to "correct biased and inaccurate med	lia reports."
Complaint at 2.	

- In conjunction with its October 2010 public relations campaign, WWE sponsored a statewide television advertisement extolling its work with the Make-A-Wish Foundation. Complainant alleges that the television advertisement prominently included a likeness of Linda McMahon. Complaint at 2.
- WWE's October 30, 2010, "Fan Appreciation Day" took place in Hartford, Connecticut. Complainant alleges this event was a "thinly veiled attempt to rally support for Linda McMahon's candidacy less than 72 hours before election day." Complaint at 3.
- WWE scheduled a taping of its "Smackdown" Program in the "heart of the heavily Democratic city of Bridgeport on election night." Complainant alleges this event was geared towards suppressing voter turnout in the highly Democratic urban area. Complaint at 3.

Responses were filed on behalf of Mr. McMahon and WWE ("WWE Response") and Mrs. McMahon and the Committee ("Committee Response"). Both responses deny any coordination of the WWE corporate promotional activities and communications. The WWE Response includes affidavits from Mr. McMahon and another WWE official, Michelle Wilson.

III. LEGAL ANALYSIS

A. Prohibited Corporate In-Kind Contributions

The complaint alleges that WWE made prohibited corporate in-kind contributions as a result of coordinating some or all of its Fall 2010 promotional activities and communications with Mrs. McMahon and the Committee. Complainant contends that "Linda McMahon maintains a close personal, familial, and financial connection to WWE, and is relying upon the resources of that company to advance her campaign in an apparently coordinated manner."

Complaint at 3. The Respondents deny that they engaged in coordination or that any of the communications satisfy the content or conduct prongs of the coordination regulations. The

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- 1 Committee further contends that WWE's corporate promotional activities and communications
- 2 are not subject to the general coordination provision of 11 C.F.R. § 109.20(b) because the
- 3 expenditures were not made for the purpose of influencing a federal election, but were "bona
- 4 fide" corporate programs designed to defend WWE and promote its corporate image, and they
- 5 were not coordinated with Linda McMahon or her campaign. Committee Response at 19.

corporations from making contributions from their general treasury funds in connection with any election of any candidate for federal office. 2 U.S.C. § 441b(a).² Further, no candidate or

The Federal Election Campaign Act of 1971, as amended ("the Act") prohibits

9 political committee may knowingly accept a corporate contribution. Id. A coordinated

10 communication is treated as an in-kind contribution to the candidate, authorized committee, or

political party committee with whom it is coordinated and must be reported as an expenditure

made by that candidate, authorized committee, or political party committee. 2 U.S.C.

13 § 441a(a)(7)(B)(i); 11 C.F.R. § 109.21(b)(1). A communication is coordinated with a candidate,

an authorized committee, a political party committee, or an agent of any of the foregoing when

the communication 1) is paid for, in whole or part, by a person other than that candidate,

authorized committee, political party committee, or agent; 2) satisfies at least one of the content

17 standards described to 11 C.F.R. § 169.21(c); and 3) satisfies at least one of the

² The Supreme Court concluded in *Citizens United* that corporations, subject to reporting and disclaimer requirements, may use their general treasury funds to make independent expenditures and electioneering communications. *Citizens United v. FEC*, 558 U.S. ____, 130 S.Ct. 876, 913 (2010). WWE did not report making any independent expenditures or electioneering communications in 2010.

³ The Commission recently revised the content standard in 11 C.F.R. § 109.21(c) in response to the D.C. Circuit's decision in *Shays v. FEC*, 528 F.3d 914 (D.C. Cir. 2008). The Commission added a new standard to the content prong of the coordinated communications rule. 11 C.F.R. § 109.21(c)(5) covers communications that are the functional equivalent of express advocacy. *See* Explanation and Justification for *Coordinated Communications*, 75 Fed. Reg. 55,947 (Sept. 15, 2010). The effective date of the new content standard is December 1, 2010, after the events at issue in this matter. The new standard would not change the analysis in this Report.

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- 1 conduct standards described in 11 C.F.R. § 109.21(d).⁴ All three prongs (payment, content, and
- 2 conduct) must be satisfied in order for a communication to be deemed coordinated.
- The content prong can be satisfied by any one of the following types of content:
 - A public communication that is an electioneering communication under 11 C.F.R. § 100.29. 11 C.F.R. § 109.21(c)(1). An electioneering communication is any broadcast, cable, or satellite communication that refers to a clearly identified federal candidate, is publicly distributed within 60 days before a general election or 30 days before a primary election, and is targeted to the relevant electorate. 11 C.F.R. § 100.29.
 - A public communication, as described in 11 C.F.R. § 100.26, that disseminates, distributes, or republishes, in whole or in part, campaign materials prepared by a candidate or the candidate's authorized committee, unless the dissemination, distribution, or republication is excepted under 11 C.F.R. § 109.23(b). 11 C.F.R. § 109.21(c)(2).
 - A public communication that expressly advocates, as defined by 11 C.F.R.
 § 100.22, the election or defeat of a clearly identified federal candidate.
 11 C.F.R.
 § 109.21(c)(3).
 - A public communication that, in relevant part, refers to a clearly identified Senate candidate and is distributed within the candidate's jurisdiction within 90 days of the general election. 11 C.F.R. § 109.21(c)(4).

As set forth below, it appears that two of the WWE activities do not satisfy all three prongs of the coordinated communication regulations. Specifically, the content prong appears to be satisfied as to only one of the communications, the Make-A-Wish television advertisement, and in that one, the reference to the candidate was fleeting. Further, the Responses include affidavits that deny the complaint's allegations as to the conduct prong being satisfied as to any of the WWE activities.

⁴ Although Complainant alleges coordination under section 109.21, it is possible to have a coordinated expenditure that is not made for communications. 11 C.F.R. § 109.20(b); see also Explanation and Justification, Coordinated and Independent Expenditures, 68 Fed. Reg. 421, 425 (Jan. 3, 2003) (11 C.F.R. § 109.20(b) addresses expenditures that are not made for communications, but that are coordinated with a candidate, authorized committee or political party committee).

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1. "Stand Up for WWE" promotional campaign

In October 2010, WWE launched a public relations campaign called "Stand Up for WWE" to protect its business interests and reputation from the negative media attacks in connection with Mrs. McMahon's candidacy. WWE Response at 6. WWE states that it posted numerous videos on its website designed to give a more balanced presentation of WWE, and used social media networks (YouTube, Facebook, Twiner) to address the issues raised by the negative attacks directed at WWE. Id. at 6, 8-10; see also Exhibits F and N. Complainant alleges that "it is increaceivable that this major, comprehensive, and public effort almed directly at those news organizations currently covering the election was not undertaken in coordination with Linda McMahon's Senate campaign," Complaint at 2. In response, WWE states that Mr. McMahon, without the involvement of Mrs. McMahon, asked fans to "join us in responding to these malicious attacks against our company and you, our viewers." WWE Response at 10, McMahon Affidavit at ¶ 7-11 and Wilson Affidavit at ¶ 25. Respondents assert that much of the content in the "Stand Up for WWE" promotional program does not constitute public communications, and the limited amount which would qualify does not satisfy the content prong of the coordination regulations. Committee Response at 8; WWE Response at 16. Respondents contend that since most of the promotional activities, including the web videos, were placed on WWE's website and other websites at no cost, they are exempted from the Commission's definition of "public communication." 11 C.F.R. § 100.26. WWE concedes that a "few" of the hundreds of "Stand Up for WWE" communications were

placed on other websites for a fee, and some of the web videos were ultimately aired during

⁵ See Press Release, World Wrestling Entertainment, Inc., Fans Stand Up for WWE, October 18, 2010, available at http://corporate.wwe.com/news/2010/2010_10_18.jsp (last accessed May 17, 2011).

- 1 certain telecasts of WWE corporate programming. WWE Response at 16. In particular, WWE
- 2 placed, for a fee, on People.com and TMZ.com, the "Celebrities Discuss Experiencing the Power
- 3 of WWE" communication.⁶ While Respondents concede that such communications are public
- 4 communications, they still do not satisfy the content prong because none of these videos
- 5 referenced Mrs. McMahon or another clearly identified federal candidate. Committee Response
- at 16, n. 13; 11 C.F.R. § 109.21(c). Available information indicates that these "Internet only
- 7 communications" do not satisfy the content standards pertaining to public communications
- 8 because they do not refer to any clearly identified federal candidate. See 11 C.F.R. §§ 100.26,
- 9 109.21(c)(2)-(4).

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2. "Make-A-Wish" communication

During October 2010, WWE broadcast a state-wide television communication that shows several images of popular wrestlers who have devoted time to the Make-A-Wish Foundation, and also includes a brief image of Mrs. McMahon "greeting a young boy in a wheelchair."

Complaint at 2; WWE Response at 12-13; see also McMahon Affidavit at ¶ 29. The image of Mrs. McMahon, who was not identified by name, is on the screen for approximately two seconds of the 32-second advertisement. The commercially broadcast Make-A-Wish communication appears to be the only WWE 2010 premotional advertisement that centurins a likeness of Linda McMahon. Complaint at 2; WWE Response at 12-13. WWE states that the Make-A-Wish television advertisement was not part of its "Stand Up for WWE" campaign, but instead was part of another promotional program ("WWE Promotional Ads") that had been approved weeks

⁶ See h1YCVZknosE (last accessed May 17, 2011); see also WWE Response, Exhibit L (Transcript).

⁷ See also http://www.youtube.com/watch?v=S7fmdsZbP98 (last accessed on May 17, 2011).

- before to its decision to begin the "Stand Up for WWE" campaign. WWE Response at 12.
- 2 However, WWE states that the decision to air the "WWE Promotional Ads" was another
- 3 corporate relations decision made as a result of the media scrutiny surrounding Mrs. McMahon's
- 4 candidacy. Id.
- 5 Respondents deny that the Make-A-Wish advertisement refers to a clearly identified
- 6 federal candidate or constitutes a coordinated communication. Committee Response at 13, 16;
- 7 WWE Response at 17. Respondents assert that the very brief image of Mrs. McMahon, in her
- 8 capacity as WWE's former CEO, was taken from previously recorded WWE video footage and
- 9 did not mention either her name or her candidacy. 9 WWE Response at 13, 17. Respondents do
- 10 not deny that the other requirements for the electioneering communication or candidate-reference
- content prong standards would be satisfied regarding this advertisement.
- 12 It appears that the Make-A-Wish advertisement meets the content prong because it
- satisfies the definition of an electioneering communication and clearly identifies a federal

WWE states that this promotional program not only included the Make-A-Wish advertisement, but also included an advertisement discussing the "Wrestlemania Reading Challenge" and an advertisement featuring female performers known collectively as the "WWE Divas" explaining why they enjoy working at WWE. See WWE Response, Exhibits I, J and Exhibit N, tracks 7-9.

In the alternative, the Committee argues for the retreactive application of the Commission's new safe harbor for communications, which took effect on Decentier 1, 2010. Committee Response at 17; res also Final Rular and Explanation and Justification for Coordinated Communications, 75 Fed. Reg. 55,947 (Sept. 15, 2010). The safe harbor excludes from the definition of a coordinated communication any public communication in which a federal candidate is clearly identified only in his or her capacity as the owner or operator of a business that existed prior to the candidacy, so long as the public communication does not promote, attack, support, or oppose ("PASO") that candidate or another candidate who seeks the same office, and so long as the communication is consistent with other public communications made by the business prior to the candidacy. 75 Fed. Reg. at 55,959; see also 11 C.F.R. § 109.21(i).

WWI's website contains numerous archived videos of similar types of communications distributed in the past involving its work with the Make-A-Wish Foundation. See http://www.wwo.com. WWE relies on these facts and argues that because the reference does not PASO Mrs. McMahon, it satisfies the safe harbor's requirements if it had been in effect at the time of the ammunication at issue. However, since the safe harbor was not in effect at the time of the advertisement, it is inapplicable to this matter.

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1 candidate in a public communication that was publicly distributed and targeted to the relevant

2 electorate within 90 days of the general election. 10 11 C.F.R. § 109.21(c)(1), (4).

The question as to whether the communication satisfies either 11 C.F.R. § 109.21(c)(1)

4 or (4) rests on whether the image of Mrs. McMahon in the advertisement is a reference to a

clearly identified federal candidate, as both standards require such a reference. In the

electioneering communication regulations, the term "refers to a clearly identified candidate" is

defined as "the candidate's name, nickname, photograph, or drawing appears, or the identity of

the candidate is otherwise apparent through an unambiguous reference such as 'the President,'

'your Congressman,' or 'the incumbent' or through an unambiguous reference to his or her status

as a candidate such as 'the Democratic Presidential nominee' or 'the Republican candidate for

11 Senate in the State of Georgia." 11 C.F.R. § 100.29(b)(2); see also 2 U.S.C. § 431(18) and 11

C.F.R. § 100.17 (defining "clearly identified" in the same or similar terms). Here, the Make-

A-Wish advertisement contains a two-second image of Mrs. McMahon, so it refers to a clearly

identified federal candidate.

WWE argues that under the rationale of Advisory Opinion 2004-31 (Darrow), the Make-A-Wish communication does not contain a reference to a clearly identified federal candidate, and thus, does not satisfy 11 C.F.R. § 109.21(c)(1). WWE argues that the incidental reference to Mrs. McMahon's likeness was intended to refer to Mrs. McMahon in her former capacity as

19 CEO of WWE, and in the context of WWE's longstanding relationship with the Make-A-Wish

There is no information that the Make-A-Wish advertisement satisfies the other two content prong standards, 11 C.F.R. § 109.21(c)(2) and (3), as it does not contain express advocacy or republish the candidate's campaign materials.

- 1 Foundation. 11 WWE Response at 17. It maintains that the communication does not mention
- 2 Mrs. McMahon's candidacy or the Senate campaign.
- The facts the Commission considered in reaching the conclusion that the communications
- 4 in the Darrow AO did not constitute electioneering communications are different from the
- 5 present facts in material ways. First, the candidate (Russ Darrow, Jr.) did not speak or appear on
- 6 screen for any of the advertisements. AO 2004-31 at 3. Second, another individual (Russ
- 7 Danow III) speaks and appears in the advertisements. 12 Id. at 3. Third, "Russ Darrow" was part
- 8 of the name of all the Russ Darrow Group Dealerships (RDG), and RDG had worked for a
- 9 decade to develop it as a brand name for all of its dealerships. Id. Finally, the Commission
- concluded that, for the few advertisements that also included a single reference to "Russ
- Darrow" rather than the full name of the dealership, these references, taken together with the
- 12 other references in the advertisement, also referred to the business entity and not to the
- 13 Candidate. 13 Id. Based upon that reasoning, the Commission concluded that the advertisements
- 14 did not refer to a clearly identified federal candidate and thus were not electioneering
- 15 communications. *Id.*
- Here, Linda McMahon, the Candidate, actually appears on the screen in the
- 17 advertisement. Second, unlike Darrow, Mrs. McMahon's name is not part of WWE's business

¹¹ The Committee asserts that the Commission emphasized in Advisory Opinion 2004-31 (Darrow) that it is not precluded "from making a determination that the specific facts and circumstances of a particular case indicate that certain advertisements do not refer to a clearly identified federal candidate and, hence, do not constitute electioneering communications." Committee Response at 16; see also AO 2004-31 at 4.

¹² Russ Darrow III, not the candidate, had been the face of the company for over ten years. Id.

¹³ The Commission noted that, although the name "Russ Darrow" was used throughout the proposed advertisements, most of these references included the full name through which a particular dealership does business. *Id.*

name and is not mentioned in the advertisement. Thus, the facts of Darrow are sufficiently and
materially different so that the rationale of the Darrow AO is not applicable to this matter.

Accordingly, the Commission concluded that the Make-A-Wish advertisement appears to constitute an electioneering communication, and satisfies 11 C.F.R. § 109.21(c)(1) because it refers to Mrs. McMahon, a clearly identified federal candidate, and was broadcast and targeted to the relevant electorate within 60 days of the general election. Similarly, the advertisement satisfies 11 C.F.R. § 109.21(c)(4) because it refers to a clearly identified Senate candidate, and there is no dispute that the communication was publicly distributed within 90 days of the general election in the candidate's jurisdiction.

In sum, the image of the candidate was fleeting and merely incidental to the content of the communication, and the candidate's name was never mentioned. Under these circumstances, as a matter of prosecutorial discretion, we dismiss the allegation that the Make-A-Wish communication is a coordinated communication under 11 C.F.R. § 109.21. See Heckler v. Chaney, 470 U.S. 821 (1985).

3. "Fan Appreciation Day" event

On September 30, 2010, WWE issued a news release announcing that it would hold its first ever "Fan Appreciation Day" in Hartford, Connecticut, on October 30, 2010, three days before the election. Complaint at 2. When questioned about the timing of the event, WWE responded that the event was being held to "thank our fans for the support and putting up with everything that's been said about the company and sticking by us." Id. (emphasis in original). Complainant contends that the event is "little more than a thinly-veiled attempt to rally support for Linda McMahon's candidacy less than 72 hours before the polls open on Election Day." Id. at 3.

Available information indicates that Mrs. McMahon was not present at the event, it was not publicly broadcast, and there was no specific reference to her name, her opponent's name, or her candidacy. WWE Response, Exhibit M; Committee Response, Exhibit 3. Accordingly, it does not appear that this event would even constitute a public communication or an electioneering communication or that it would satisfy any of the other content prong standards.

Therefore, the Commission concluded that the content prong is not met with respect to this event. Because the event does not meet the content prong, and a communication must satisfy all three elements of the three-pronged test set forth in 11 C.F.R. § 109.21(a) to be a coordinated communication, "Fan Appreciation Day" was not a coordinated communication.

4. "Smackdown" episode taping

Complainant contends that WWE scheduled a taping of its "Smackdown" program in "the heart of the heavily Democratic city of Bridgeport on election night, suggesting an intent to suppress voter turnout in the area." ¹⁵ Complaint at 4. WWE responds that it taped the episode of one of its regular television shows to discharge its contractual obligations. McMahon Affidavit at ¶¶ 20 and 23. It further states that the content of the show was "apolitical" and was developed in the normal course of business by WWE employees who typically write and produce the program. WWE Response at 11, 17, and McMahon Affidavit at ¶ 22.

The Committee Response denies that any public communication occurred in connection with the taping session or that it contained any references to a federal candidate or express advocacy. Committee Response at 9, 11, and 15. Available information indicates that the

A review of the transcript indicates that Mr. McMahon did encourage the attendees to vote on Election Day and to feel free to wear a WWE t-shirt. However, it appears that these were general comments made with no references to a particular candidate, namely, Linda McMahon, or the Senatorial election. *Id.*

¹⁵ The "voter suppression" allegation raised in the complaint is not discussed since it is beyond the Commission's jurisdiction.

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- 1 "Smackdown" episode was recorded in front of a live audience in Bridgeport, Connecticut, on
- 2 election night, but was not broadcast until the Friday after the election, or November 5, 2010. 16
- 3 Id. at 15. Therefore, it appears that the "Smackdown" taping would constitute a public
- 4 communication on the day that it was actually broadcast, but not on the day of taping (Election
- 5 Day) since there was no broadcast of the episode on that day. Further, there is no additional
- 6 information to suggest that the episode taping would satisfy any of the content prong standards.

5. Conclusions

Based on the foregoing, the Commission concluded that the "Stand Up for WWE" promotional activities and communications, the "Fan Appreciation Day," and the "Smackdown" Program episode taping do not satisfy the content prongs of the coordination regulations. The Commission further concluded that, although the Make-A-Wish communication satisfies the content prong, here, where the use of Mrs. McMahon's image was merely incidental to the information in the communication, her name was not used, and where respondents' affidavits deny coordination, dismissal is appropriate. Finally, there is no available information to suggest that any of the WWE promotional activities or communications would satisfy the general coordination requirements pursuant to 11 C.F.R. § 109.20(b). Respondents have denied that coordination took place between the parties for any of WWE's promotional activities and communications. Accordingly, as to the Make-A-Wish communication, the Commission dismissed pursuant to its prosecutorial discretion and the Commission found no reason to believe that World Wrestling Entertainment, Inc., and Vince McMahon violated 2 U.S.C. § 441b(a) by making prohibited corporate in-kind contributions in the form of coordinated expenditures as to the remaining activities.

¹⁶ See also http://vids2.wwe.com/h50109928/friday-night-smackdown-fri-nov-5 (last accessed May 17, 2011).

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B. <u>Electioneering Communication</u>

Based on our conclusion that the Make-A-Wish communication constitutes an electioneering communication, the Commission considered whether this communication is subject to the disclosure and disclaimer requirements of the Act. See 2 U.S.C. §§ 434(f) and 441d. The Act provides that all persons, including corporations, making electioneering communications that cost, in the aggregate, more than \$10,000 during the calendar year, must comply with the existing disclosure requirements for electioneering communications. 2 U.S.C. § 434(f)(1) and (2). While the Commission did not have specific information regarding the cost of the communication, it would be reasonable to conclude that the cost of the communication exceeded \$10,000 since WWE admits it aired the communication "throughout the month of October 2010." See McMahon Affidavit at ¶ 29. Therefore, it appears that the Make-A-Wish communication is an electioneering communication subject to the disclosure requirements. WWE failed to report the Make-A-Wish communication as an electioneering communication and is, therefore, in violation of 2 U.S.C. § 434(f). Electioneering communications are also subject to disclaimer requirements. 2 U.S.C. § 441d(a). For radio and television communications not authorized by a candidate or his campaign committee, the disclaimer must identify who paid for the message, state that it was not authorized by any candidate or candidate's committee, and list the permanent street address, telephone number, or World Wide Web address of the person who paid for the communication. 2 U.S.C. § 441d(d)(2); 11 C.F.R. § 110.11(b)(3). In addition, the communication must include an audio statement, conveyed by an unobscured full-screen view of the person making the statement, informing the listener of the person responsible for the content of the communication. 11 C.F.R. § 110.11(c)(4)(i)-(ii). Further, the contents of the audio statement must also appear in

- 1 clearly readable writing at the end of the communication. 11 C.F.R. § 110.11(c)(4)(iii). While
- 2 the advertisement contains WWE's logo and mentions WWE and its relationship with the Make-
- 3 A-Wish Foundation, the Commission concluded that it does not comply with the specific
- 4 disclaimer requirements for communications not authorized by a candidate or candidate's
- 5 committee. 17 Accordingly, WWE has violated 2 U.S.C. § 441d with respect to its Make-A-Wish
- 6 electioneering communication.
- Despite the foregoing conclusions, under the circumstances here, where the use of Mrs.
- 8 McMahon's image stems from footage of an event that was shot at a time when she was an
- 9 officer of the company well before she became a candidate and the reference to Mrs.
- 10 McMahon was only the very brief (two second) use of Mrs. McMahon's image and was merely
- incidental to information presented in the Make-a-Wish communication, the Commission
- dismissed, as a matter of prosecutorial discretion, WWE's violations of 2 U.S.C. §§ 434(f) and
- 13 441d relating to its failure to disclose or include a disclaimer on its Make-A-Wish electioneering
- 14 communication. See Heckler v. Chaney, 470 U.S. 821, 831 (1985).

¹⁷ See http://www.youtube.com/watch?v=S7fmdsZbP98 (last accessed on May 17, 2011).